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BILL NO.: Senate Bill 628

**Utilities – Surviving Spouse of Account Holder –** 

**Protections** 

**COMMITTEE:** Senate Finance

**HEARING DATE:** February 21, 2020

**SPONSOR:** Senator Kagan

**POSITION:** Informational

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The Office of People's Counsel (OPC) provides informational comments on Senate Bill 628. Senate Bill. 628 is intended to provide certain protections to the surviving spouse of a utility account-holder, when the spouse is not a joint holder of the account. The bill would require the utility to treat the surviving spouse as a de facto joint holder of the account for a period of not less than six months, or transfer the account to the spouse. The utility would be prohibited from imposing any fee or penalty in doing so. It appears that the intention of the bill is to prevent the utility from requiring the surviving spouse to submit a new service application and potentially imposing a security deposit requirement on the surviving spouse during this six-month time period. The bill would allow a utility to impose fees, such as a late fee, or terminate service, for past-due bills or arrearages. As OPC understands it, Senate Bill 628 is intended to make circumstances easier for a surviving spouse at a difficult time.

There may be unintended consequences in the case of a deceased account holder with past-due bills or arrearages. Like any other contracts or service agreements, the utility account-holder is the only person who can be held responsible for the cost of the services incurred. If a spouse is not a joint account holder, he or she cannot be required

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to pay any past-due bills of the deceased spouse. If the Bill allows a surviving spouse to be treated as a joint account holder, that spouse may also be held accountable for any arrearages accrued by the deceased spouse. While this situation may only affect a relatively small number of individuals, it could effectively create a legal obligation where there was none.